GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:678
ANSWERED ON:20.07.2016
FDI in Railways
Rajesh Shri M. B.

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Government has decided to allow 100 per cent Foreign Direct Investment (FDI) in Railways;

(b) if so, the reasons therefor along with its aims and objectives;

(c) whether the Government has conducted any study of experiences of FDI in Railways in other countries and if so, the details and findings thereof;

(d) whether the Government has taken adequate safeguards to ensure that interest of employees will be protected in the wake of FDI in Railways and if so, the details thereof; and

(e) whether the Government has prepared any roadmap in this regard and if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMUNICATIONS AND
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI MANOJ SINHA)

(a) & (b): Yes, Madam. Government in August, 2014 had permitted 100% Foreign Direct Investment (FDI) in construction, operation and maintenance in certain identified areas in the Rail sectors.
The objectives of FDI policy are: modernisation and strengthening of rail network and development of rail-related industries through infusion of foreign equity and technology leading to growth in manufacturing and enhancing competitiveness.

(c): No, Madam.

(d): Yes, Madam. Areas identified for FDI are not in conflict with management and operations of the existing network of Indian Railways which continues to be with Government of India.

(e): Ministry of Railways issued Sectoral guidelines in November, 2014 for Domestic/Foreign Direct Investment (FDI) in rail sector in certain identified areas.

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